

Minutes
Page County Board of Supervisors
Special Meeting
June 29, 2010

All Members Present: Johnny Woodward, Chairman, At-Large
 Robert Griffith, District 1
 Larry A. Sours, District 2
 J. D. Cave, District 3
 Darrell Short, District 4
 Jeff Vaughan, District 5

Staff Present: Nathan Miller, County Attorney
 Amity Moler, Finance/HR Director
 Regina Miller, Executive Secretary

Others Present: 50 County Employees & Citizens

Call to Order:

Chairman Johnny Woodward called to order the special meeting of the Page County Board of Supervisors on June 29, 2010 at 7:00 p.m. in the Board of Supervisors Room, located in the Courthouse, noting a quorum was present.

Update on Broadband:

Bill Shuler, Vice Chair of the Broadband Authority, reported that a BTOP (Broadband Technology Opportunities Program) grant was applied for and received by the Broadband Authority in March 2010, for the construction of a fiber optic backbone in Page County. The preliminary design for the cable would run from Rileyville to Shenandoah. It will consist of 144 strands of fiber optic cable, and is estimated to cost \$2 million, with the grant for \$1.6 million. The grant was received and accepted by the Authority and the project is estimated to take 18-24 months. The funding has not been spent because the Authority has been trying to determine how the money should be spent. The required reports under the grant document have been submitted for the first quarter. The Authority is in the process of issuing RFP's and are negotiating with an engineering firm to provide services for environmental work and to administer the project management for the design work. There are certain benchmarks they have to achieve and its completions are being monitored by NTIA (National Telecommunications Agency). He stressed that they cannot do anything with the actual design of the system until after the environmental study has been submitted and approved by the government agency. He also indicated that there has been a lot of interest generated in this project and the Authority has had contact with potential partners. One issue raised in the community has been connectivity. The Authority has been assured by at least three businesses that they are interested in our fiber network for connectivity in areas to the north and south of Page County, particularly in Warren

County. They have also been assured that the funds would be available to increase the grant amount at that time when the situation occurs.

Mr. Shuler then explained that they were going to use in-kind services to help offset the required grant match. Since March 1st, they have documented about \$38,000 worth of in-kind services already paid by the County. He has asked Mrs. Moler to certify that the funds are there in order for the Authority to drawdown about \$250,000 worth of operating capital from the grant. The Authority, he said, applied for a grant through the Virginia Department of Housing and Community Development (DHCD), but was denied at this time. However, they plan to reapply for the \$200,000 grant as suggested by DHCD, which would be applied to the match. The purpose of broadband is to provide services for the community and lower the cost of broadband connectivity to individual homes. The only connection will be to the schools, libraries, emergency services, and hospital. He said this is a much needed service for businesses because telecommunications is the future.

Mr. Shuler pointed out that the motion by the Board of Supervisors in December 2009 to provide a 20% match in support of the project was the basis of the grant application. The Authority feels it can still proceed under the same conditions, which the motion was made because they are optimistic the \$200,000 matching grant will be received. He said they have talked with partners who have said they will work with them on the match.

Chairman Woodward said that in other words the Authority does not need money from the County. Mr. Shuler replied that they do not need money at this moment, but need certification of the \$38,000.

Supervisor Vaughan asked, of the \$2 million, how much is soft cost versus hard cost? Sara Levinson, Broadband Authority Consultant, replied that the line share is a hard cost of about \$1 million, which is the actual construction of the fiber itself. Supervisor Vaughan expressed concern about how the funding may be broke down and how the money will actually be spent. He then asked if the Authority is going to lead this project as far as project management. Mr. Shuler responded that the Authority will be the owners of the fiber and the engineering firm will essentially provide the project management for it. Supervisor Vaughan mentioned that he would expect, at this point, to have commitments from the partners in writing. Ms. Levinson noted that the engineering company will administer this oversight. Part of their contract will also be to assist in the development and selection of a construction company who will be doing the build-out. They will have direct oversight during the construction period that is on-site with the construction.

Supervisor Vaughan pointed out his areas of concern with the “loose ends” for a project of this magnitude and the Authority should aggressively move forward to tie those loose ends. There is interest from Warren County, but there is a void with a written commitment. Moving forward, this should be spelled out in writing so the agreement is in place. These are the things the Board is looking for in order to support the project.

Once the fiber cabling is in place, will the Authority own and maintain the fiber? Mr. Shuler said they will own and maintain the fiber and the maintenance will most likely be subcontracted to one of the companies in the area. The income that will pay for the maintenance and operations will come from the rental of the dark fiber to the vendors. Supervisor Vaughan encouraged the Authority to get firm commitments through a letter of intent to ensure the Board that the support is there for the project.

Supervisor Sours read the section of the December 15, 2009 Board minutes pertaining to the broadband grant, "With the extension of the project and the in-kind services that the County is now capable of supplying, along with internal resources and assistance from local businesses, the maximum exposure if the project were to bid out at \$1.9 million for the County, would be about \$5,000." He indicated that the Board needs to recertify that the County is willing to meet the 20% match." With next year's budget and the reductions that have been made, the County does not have \$200,000 or \$400,000 to match the grant, but we want broadband. If the partners are willing to commit to the project, in writing, then the Board would not have to worry about coming up with the match. Ms. Levinson clarified that the Broadband Authority, as the administrator of the project, is responsible for financing. The original setup of the grant was for the match to be through the work of several County employees, but since most of them no longer work for the County, this is no longer an option. The other piece of the match was to be the funding from the DHCD grant.

Chairman Woodward stated that he supports the project, but expressed concern over the match. If the County needs to provide a cash match, then the Board needs to consider where the funding will come from.

Supervisor Short also expressed concern with the match and said the Board has to consider how the match will be formulated. Half would potentially come from the DHCD grant, if the Authority reapplies. However, the letter from DHCD states that Page County does not qualify as a 51% LMI (low to moderate income) community and this is not something the County can change. He asked when we will know if the County qualifies? Mr. Shuler remarked that a different segment of the population will have to be chosen to see if it qualifies. Supervisor Short mentioned that he is comfortable with reaffirming the Board's vote of December 15, 2009. He also felt that the Board should appoint a liaison committee to work with the Authority so the Board receives a constant flow of information regarding the project.

Supervisor Cave asked if the cost estimate will be enough to complete the project. Mr. Shuler replied that they will not know until the engineering firm is hired, but Ms. Levinson pointed out that the Authority built contingencies into the budget. She said she will provide a copy of the budget information to the Board. Supervisor Cave stated that he is fine with the project as it was intended to be and as it currently is.

Supervisor Vaughan felt that the Board morally supports the broadband initiative. However, the Board is not in a position, currently, to support them financially or with in-kind services, until the County is restructured.

Charlie Jenkins, Shenandoah Town Council Member, outlined that the Town received a broadband grant several years ago and was required to provide a match of about \$150,000, which was provided mostly through in-kind services. He stated that Nelson County was also recently awarded a broadband grant like Page County. He suggested the County contact them to see how they are moving through the process.

Keith Guzy asked who will maintain the fiber backbone if it becomes damaged or needs repairs. Once the fiber is in place, it will take 15-20 months to build. He felt that an RFI or RFP should be put out to local companies asking them to take over the grant and build it out. If this project continues down its current path it could be a disaster.

Chairman Woodward then appointed Supervisor Short as the Board's liaison to the Broadband Authority.

Town of Shenandoah/Permit Waiver Request:

Chairman Woodward indicated that a letter was received from the Town of Shenandoah requesting the Board waive the building permit fees associated with the walking trail in the Town's river park.

Supervisor Vaughan commented that the Board needs to remain consistent in their decision making. They recently denied a similar request of the Luray Little League and he felt these groups need to pay the appropriate fees.

Motion:

Supervisor Cave moved to deny the request for the Town of Shenandoah. Supervisor Short seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Closed Session: 8:24 p.m.

Motion:

Supervisor Griffith moved that the Page County Board of Supervisors convene in Closed Session under the Virginia Freedom of Information Act to consult with legal counsel to solicit advice concerning contract rights and obligations, potential breach of contract liability exposure and negotiating positions, pursuant to the legal matters exemption at Section 2.2-3711(A)(7) of the Code of Virginia, and to discuss personnel matters relating to officers, appointees, and County employees for the purpose of considering such person's assignment, appointment, performance, demotion, salary, or disciplining, pursuant to Section 2.2-3711(A)(1) of the Code of Virginia. Supervisor Sours seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, and Woodward.

Exit Closed Session: 10:15 p.m.

Motion:

Supervisor Griffith moved the closed meeting be adjourned and the Page County Board of Supervisors reconvene in open session. Supervisor Cave seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, and Woodward.

Certification of Closed Meeting:

To the best of my knowledge (i) only public business matters lawfully exempted from open meeting requirements under Section 2.2-3711(A) of the Code of Virginia, 1950, as amended, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.

<u>Roll Call Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Robert Griffith	X			
Larry Sours	X			
J. D. Cave	X			
Darrell Short	X			
Jeff Vaughan	X			
Johnny Woodward	X			

Action from Closed Session:

Termination of IT (Information Technology) Contract:

Motion:

Supervisor Cave moved to terminate the existing IT service contract and issue an RFP, and to further authorize the Chairman to contract for interim service support, and issue notice to cancel the telephone contract, which expires in October. Supervisor Vaughan seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Assignment of Duties to County Personnel:

Motion:

Supervisor Cave moved to adopt a Resolution assigning the following duties and responsibilities: approval of subdivisions to Michelle Somers, Clerk of the Board to Regina Miller, Purchasing Officer to Amity Moler, the authority for writing and signing checks to Chairman Johnny Woodward. Supervisor Sours seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Settlement Contract with Dr. Tom Cardman:

Motion:

Supervisor Cave moved to authorize the attorney to enter into a contract settlement with the former Acting County Administrator, according to current personnel policy. Supervisor Vaughan seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Adjourn: 10:21 p.m.

With no further business, Chairman Woodward adjourned the meeting.


Chairman